

OFFICIAL GAZETTE

GOVERNMENT OF GOA

EXTRAORDINARY No. 2

GOVERNMENT OF GOA

Department of Industries, Trade & Commerce

Directorate of Industries, Trade & Commerce

Order

3/9/98-Ind(30)

Whereas vide Notification No.1/49/2000/S(IND)/Vol.II dated 4-8-2003, published in the Official Gazette, Extraordinary No. 4, Series I No. 18 dated 6-8-2003, the Government of Goa notified the Goa Industrial Policy, 2003 (hereinafter referred to as the "said Policy").

And whereas clause 5.7, the said policy inter alia, provides that any industrial unit seized under section 29 of the State Financial Corporations Act, 1951 and thereafter sold to a new entrepreneur shall be treated as a new industrial unit for the purpose of all concessions as applicable under the policy.

Now, in pursuance of said Clause 5.7 of the said Policy and in exercise of the powers conferred by sub-section (1) of Section 39 of the State Financial Corporations Act, 1951 (hereinafter called the "said Act"), the Government of Goa hereby gives following instructions to the Board of Directors of the Economic Development Corporation Ltd. for sharing and payment of outstanding dues by industrial units against whom

action as stated in Section 29 of the said Act is taken.

(1) When any industrial unit against whom action as stated in Section 29 of the State Financial Corporations Act, 1951 (Central Act 63 of 1951) is taken by Economic Development Corporation, the Economic Development Corporation shall hold a meeting of the representatives of Economic Development Corporation, Industrial Development Corporation, Electricity Department and Public Works Department (water supply), to ascertain the dues of such unit to these institutions. The Economic Development Corporation shall record all the dues payable by such units to Economic Development Corporation, Industrial Development Corporation, Electricity Department and Public Works Department (water supply).

The Economic Development Corporation shall fix the date of auction and auction paper shall not only indicate the dues payable by such unit to Economic Development Corporation but all outstanding liabilities in respect of dues payable by such unit to the Industrial Development Corporation, Electricity Department and Public Works Department (water supply). The Economic Development Corporation shall freeze the liabilities for a period of ninety days for auction and completion of other formalities.

(2) After auction, the Economic Development Corporation shall get the proceeds of the full auction amount. However, if the auction amount is more than the dues payable by the such unit to Economic Development Corporation, then such

excess amount shall be distributed proportionate to the outstanding dues amongst Industrial Development Corporation, Electricity Department and Public Works Department (water supply) if that unit owes to these Departments. If the auction amount is less than the dues recoverable from such unit, then the Economic Development Corporation shall not hold new industrial unit liable for this purpose and the recovery shall be done from the old owner/promoter of the unit under the appropriate provisions of law.

The new entrepreneur who purchases the industrial unit in the auction shall get new electricity connection, new water supply connection and industrial plot/shed without any prejudice/encumbrances, if the new purchaser pays the share of dues outstanding to the Industrial Development Corporation/Electricity Department/ /Public Works Department (water supply) in the same proportion as he has paid to Economic Development Corporation vis-à-vis the total outstanding dues by the said unit to the Economic Development Corporation.

(3) The Industrial Development Corporation, Electricity Department and Public Works Department (water supply) shall not hold the new unit responsible for the balance dues. However, the balance dues shall be recovered from the old owner/promoter of the unit under appropriate provisions of law.

(4) The new unit shall not be held responsible for the dues payable by the earlier unit to the Sales Tax Department, Excise Department, as arrears of sales tax, entry tax, excise duty or any other tax shall be payable by earlier unit and recovery of said dues shall be done from old owner/ /promoter under appropriate provisions of law.

(5) No refund of any nature shall be given to the new buyer for any reason.

(6) Further, the Government of Goa, in exercise of the powers under sub-section (1) of section 39 of the said Act, 1951 hereby instructs to other Financial Corporations to adopt the procedure as outlined above on prorata basis.

(7) This procedure shall be applicable from 1-4-2003 i.e. for the units acquired on or after 1-4-2003.

This is issued with the concurrence of the Finance Department vide their U.O. No. 2442/04 dated 11-2-2004 and with due advise from the Law Department.

By order and in the name of the Governor
of Goa.

Smt. Jayshree Raghuraman, Secretary
(Industries).

Panaji, 19th February, 2004.